

SHARP CABRILLO SKILLED NURSING FACILITY
SHARP MARY BIRCH HOSPITAL FOR WOMEN
SHARP MEMORIAL HOSPITAL
SHARP MESA VISTA HOSPITAL
SHARP VISTA PACIFICA HOSPITAL
SHARP MEMORIAL OUTPATIENT PAVILION
SHARP HOME CARE

April 11, 2007

Mr. John D. Gillengerten
Acting Deputy Director
Office of Statewide Health Planning and Development
Facilities Development Division
1600 9th Street, Room 420
Sacramento, CA 95814

RE: YOUR LETTER TO SHARP CABRILLO HOSPITAL DATED MARCH 9, 2007

Dear Mr. Gillengerten:

In February 1999, acute care and emergency services offered by Sharp Cabrillo Hospital were transitioned to Sharp Memorial Hospital in Kearny Mesa.

On April 4, 2002, Sharp Memorial Hospital sold the Sharp Cabrillo Hospital buildings and surrounding campus to Loma Cabrillo, LLC, a limited liability company owned by a local investor. Simultaneous with the sale of the campus, Sharp Memorial entered into a seven-year lease of the Cabrillo ten-story tower. At that point in time, only skilled nursing and outpatient services were being provided at the Sharp Cabrillo Hospital location. Subsequently, outpatient services were also transferred to the Sharp Memorial Hospital campus in April 2003.

Currently at the Sharp Cabrillo Hospital location, Sharp Memorial Hospital operates as a distinct part under its license, 76 skilled nursing beds. Re-negotiation of our lease with Loma Cabrillo, LLC is in progress so that Sharp can continue to provide skilled nursing services to the community. There are also ten acute care beds (suspended) licensed at the Sharp Cabrillo Hospital location. Sharp plans to discontinue the licensing of the ten acute care beds and provide only skilled nursing services.

In answer to the questions posed in your letter of March 9, 2007, it is our understanding that skilled nursing facilities licensed under a general acute care license and operating in a stand-alone building do not have to meet the requirements of SB 1953.

Sincerely,

Daniel L. Gross

Executive Vice President

Hospital Operations

DLG:nlf

Enclosure: Letter dated March 9, 2007